

**2007**  
**APPLICATION INSTRUCTIONS**  
**RECYCLING GRANTS TO RESPONSIBLE UNITS**  
**AND**  
**RECYCLING EFFICIENCY INCENTIVE GRANTS**

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<b>APPLICATION INSTRUCTIONS</b> <b>RECYCLING GRANTS TO RESPONSIBLE UNITS</b>
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*You may find it useful to refer to your 2006 grant application as you complete this year's application.*

Only responsible units (RUs) with an effective recycling program under s. 287.11, Wis. Stats. are eligible for grant assistance. Your responsible unit must have an effective recycling program, approved by the department, in order to receive a recycling grant for 2007.

**The deadline for filing this grant application is October 1, 2006\*. Responsible units who submit late applications during the month of October will be eligible for reduced grant funding according to the following formula:**

<u>Application submitted by:</u>	<u>% of Grant Award Funded</u>
October 10	95%
October 20	90%
October 30	75%
October 31 or later	0%

Please note that these reductions will be taken from the final grant amount. Grant checks will be mailed by June 1, 2007. \*In 2006, October 1 falls on a Sunday. When this occurs, Wisconsin statutes allow applications to be postmarked as late as Monday, October 2.

If you have had a change in the address of your treasurer, it is crucial that you notify the Department of Revenue of this change as soon as you are aware of it. If this is not done, your check could be sent to an undeliverable address. The check will be returned to us, delaying the receipt of your payment. Please send any changes in writing to:

Ms. Beverly Maddrell  
Wisconsin Department of Revenue  
Local Financial Assistance  
P.O. Box 8933  
Madison, WI 53708-8933.

You can also call Ms. Maddrell at 608-264-6892.

## Section 1: Applicant Information

Question 1: Provide the requested information about your responsible unit. The authorized representative must be the person authorized through the resolution passed by your RU. If the authorized representative has changed since last year, you may need to submit a new resolution; see instructions for Section 3.

The contact person is the person we will call if we have questions about the application. It should be the person that is most familiar with the grant application or that we will be able to reach if we have questions. In many cases, it will be the authorized representative.

Question 2: Identify all municipalities included in your responsible unit. If yours is a multiple-municipality RU that has acquired or dropped one or more member municipalities since your last grant application, please contact DNR Recycling Staff for special instructions before proceeding.

Question 3: Indicate yes or no for each activity. The department must determine whether any of the activities has the potential to affect the environment or historic properties. If you will purchase land, the purchase must be in compliance with state and federal laws on acquisition of property for public purposes. Therefore the department must review and approve an appraisal of the property before you buy it. After we receive your application, we may ask you to complete a Site Review Supplement to provide additional information about each proposed activity. If we identify any environmental and/or historic property concerns or if you indicate proposed land purchase, we will inform you of any additional requirements. **If you begin any of these activities before obtaining a site clearance letter from the Department, your recycling grant may be void.**

## Section 2: Summary of Eligible Program Costs

You will need to complete the Financial Forms 1, 2D, 2E, 3 and 4 before you can complete Section 2.

Question 4: Enter the amount of the total costs of your Recycling Program from Line 18, Form 4.

Question 5: Enter the amount of Ineligible Costs from Line 4, Form 3.

Question 6: Enter the amount of revenue from the sale of recyclables from Line 24, Form 3.

Question 7: Enter the amount of other deductible revenue from Line 22, Form 4.

Question 8: Enter the amount of net eligible recycling and yard waste costs from Line 24, Form 4. The net eligible recycling costs must not include the cost of collection, processing or marketing of recyclables from commercial, retail, industrial, or governmental facilities, or from buildings containing 5 or more dwelling units.

Question 9: Enter the amount of costs from handling yard waste from Line 25, Form 4.

### **Section 3: Authorizing Resolution and Assurances**

The responsible unit must pass a resolution authorizing a representative to file the application, sign necessary documents and file a final report. The RU may use the sample resolution provided on page 18 of these instructions, or it may create its own resolution, incorporating the substantive language of the sample resolution.

The authorized representative must be either an employee or an official of the responsible unit. This may be accomplished in one of two ways. On the resolution you may name a person, or you may name a position or office, such as "town clerk," as the responsible unit's authorized representative.

Person	If you name a person and that person later leaves his/her position or office, you must pass a new resolution to authorize another person to act as the authorized representative of the responsible unit.
Office/Position	If the resolution names an office or position and there is subsequent turnover in that office, you do not need to pass a new resolution.

Whether you name a person or an office, you must notify DNR recycling grant staff of the name, address, and telephone number of the new authorized representative whenever there is a change. If you applied for a grant last year, check the resolution for last year's application to determine if a new resolution is necessary.

Question 11: Indicate if the resolution now on file with the DNR is current. If not, you must submit a new resolution.

The assurances the responsible unit must make as part of the application are stated at the bottom of page 2 of the application. By signing and dating in the box provided, you are agreeing to these terms.

## APPLICATION INSTRUCTIONS RECYCLING EFFICIENCY INCENTIVE (REI) GRANT

The postmark deadline for mailing this grant application is October 31, 2006. There is no possibility for reduced awards if your application is submitted late. Applications postmarked after October 31, 2006, will not be considered for funding for calendar year 2007.

**PLEASE NOTE:** While the postmark deadline is October 30, 2006, for the *Recycling Efficiency Incentive* (REI) grant program, the deadline for the *Recycling Grants to Responsible Units* (also known as the “basic grant”) remains October 1<sup>st</sup> (to receive the full grant amount). Since the applications for both grant programs have been combined this year, you’ll still need to postmark that portion of the application for the basic grant by October 1<sup>st</sup> in order to receive full funding and not be penalized. We suggest that you postmark the application for both grant programs by October 1<sup>st</sup>. \*\*In 2006, October 1 falls on a Sunday. When this occurs, Wisconsin statutes allow applications to be postmarked as late as Monday, October 2.

If your consolidation or cooperative agreement is finalized during the month of October, you should postmark pages 1 and 2 of the application to request funds through the basic grant no later than October 1<sup>st</sup>, to receive full funding. Then send your REI grant application (page 3 of this application) and a copy of page 1 of the basic grant application (contains Section 1: Applicant Information) separately but postmarked no later than October 30<sup>st</sup> in order to request an REI grant.

### DEADLINES FOR APPLICATIONS AND MEASURES OF EFFICIENCY -- GRANT YEARS 2007 and 2008

To receive an REI grant in calendar year ...	The DNR must receive a completed application with postmark of no later than ...	If measure of efficiency is a merger of at least 2 RUs (also called a “consolidation”)...		If measure of efficiency is a cooperative agreement for shared recycling services or joint recycling contractor services...	
		... then all participating RUs must agree, in writing...	...and consolidation must be effective as of ...	...then all participating RUs must agree, in writing...	...and activities must...
2007	Oct. 30, 2006	Between Oct. 31, 2005 and Apr. 30, 2006	Oct. 30, 2006	Between Oct. 31, 2005 and Apr. 30, 2006	Have begun by Apr. 30, 2006 and be completed by Oct. 30, 2006
2008	Oct. 30, 2007	Between Oct. 31, 2006 and Apr. 30, 2007	Apr. 30, 2007	Between Oct. 31, 2006 and Apr. 30, 2007	Have begun by Apr. 30, 2007 and be completed by Oct. 30, 2007

## **FILING AN APPLICATION**

To be eligible for a grant award in calendar year 2007, all REI applications submitted shall claim that an efficiency was implemented or a signed agreement for consolidation or cooperative services approved by all participating responsible units during **the period between October 31, 2005 and October 30, 2006.**

**Important:** If you're applying for both a *Recycling Grant to Responsible Units* (also called the "basic grant") and an REI grant, you will need to submit an updated authorized resolution if you've not already done so -- like the sample found on page 18 of these instructions -- that designates a representative to submit both applications and handle all grant actions.

## **INSTRUCTIONS**

### **Section 1 – Claims of Efficiency**

#### **? Subsection A**

1. To claim a merger or consolidation as a measure of efficiency at least one other Responsible Unit must have agreed to merge with your Responsible Unit between October 31, 2005 and April 30, 2006, and **must be completed** by October 30, 2006. **Merged or "consolidated" Responsible Units are comprised of at least two local units of government that formerly held separate Responsible Unit status.**

**If you are an individual Responsible Unit with no more than one municipality as a member, you are not considered to be a merged Responsible Unit or County Responsible Unit.**

#### **? Subsection B**

1. To claim a cooperative agreement as a measure of efficiency, a Responsible Unit would need to implement an eligible activity that is **new and different** from any activity claimed in previous grant years. If claiming a cooperative agreement as a type of efficiency, each participating Responsible Unit must submit its own application to be considered for REI grant funding and must retain in your grant file copies of the cooperative agreements that was prepared consistent with s. 66.0301, Wis. Stats.
2. Indicate efficiencies by checking the appropriate boxes on the REI application form.
3. List the Responsible Unit(s) with whom you have a written cooperative agreement. A Responsible Unit would need to implement a cooperative agreement consistent with s. 66.0301 with at least one other Responsible Unit. (Note: a private waste hauler is not a Responsible Unit). See page 19 at the end of these instructions for a list of basic components the DNR would expect to see in a cooperative agreement.

**Section 2 --** Check "yes" or "no", as appropriate.

**Section 3 --** As stated in the NOTE above, if you're applying for both a *Recycling Grant to Responsible Units* (basic grant) and an REI grant, you will need to submit an updated authorizing resolution indicating the name of the individual in your Responsible Unit who has been given the authority to submit this

application for funding and handle all grant actions. See the sample provided on page 18 of these instructions. To streamline the process, the sample authorizing resolution covers both the *Recycling Grants to Responsible Units* (basic grant) and the REI grant.

**To be eligible for funding, all applications must be complete, signed by an authorized representative, and postmarked no later than October 30, 2006.**

**TOP 6 MOST FREQUENTLY MADE MISTAKES**  
**WHEN APPLYING FOR REI GRANTS IN 2006**

- 1. Application was not signed by an authorized representative.**
- 2. Applicant claimed status as County Responsible Unit but was not a county.**
- 3. Applicant failed to indicate the name of at least one other Responsible Unit with whom they had entered into a cooperative agreement.**
- 4. Application was postmarked after the deadline.**
- 5. No authorized resolution was submitted with the application.**
- 6. Cooperative agreements and/or mergers did not occur within the grant-specified time period in order to be eligible for an award.**

## **FINANCIAL FORMS INSTRUCTIONS**

You will need to complete the financial forms in order to provide the information required in section 2 of the grant application. Do not submit Forms 1 through 4 with your grant application, but keep them for your records. Your grant related financial records are subject to audit by the Department.

*The following financial forms are included in your grant application package:*

**FORM 1-Budget Spreadsheet**  
**FORM 2D-Depreciation**  
**FORM 2E-Equipment Use**  
**FORM 3-Ineligible Costs/Recyclables Collected**  
**FORM 4-Proposed Expenses and Revenues**

### **General Instructions for Financial Forms:**

You may round all entries to the nearest dollar amount.

#### **Note on Multi-Family and Non-Residential Recycling**

Please remember that grant assistance is provided for only the single family and 2-4 unit residential portion of your recycling program. Therefore, the costs of multi-family (5 or more dwelling units) and non-residential recycling must be removed from your net eligible costs by entering them on Form 3, Schedule I to be subtracted from your total recycling program costs on Form 4, Line 19.

#### **Special Note for Counties and Other Multiple-municipality Responsible Units**

If you choose to include the recycling costs of your member municipalities in your grant request you must comply with the following:

1. You must retain in your records a copy of your current written agreement with each municipality delineating what services are to be provided by the responsible unit and by each municipality.
2. You must retain in your records a summary for each municipality of the information called for on Forms 1 through 4.
3. You must collect and retain in your records documentation of the actual recycling costs incurred by each municipality.

### **FORM 1-Budget Spreadsheet**

**If you are requesting grant participation on your equipment or facility depreciation or hourly use cost, you will need to complete Form 2D and/or Form 2E before filling out Form 1.**

Form 1 is a budget spreadsheet. The rows list expenses, that is, **what** is to be paid for. The expenses listed in the rows correspond to the Uniform Chart of Accounts (UCA) object codes. (Additional information about the Uniform Chart of Accounts is provided on pages 15-16 of these instructions.) The columns list

recycling cost categories, that is, the recycling purpose for which the expense is incurred. If you prefer to use an electronic spreadsheet, you may substitute a printout in a format similar to Form 1.

Include on Form 1 all the anticipated costs of your recycling operation, even costs not eligible under this grant program. Later, you will be listing the ineligible costs separately on Form 3, and then deducting them on Form 4. This will ensure that you don't mistakenly exclude anything, and the numbers you report here will match your actual budget for recycling regardless of grant eligibility.

Note to Lines 14 and 15: If you claim a cost of depreciation and/or hourly use charge, you must complete Form 2D and/or Form 2E.

Note to Line 16: Cost allocations are expenses indirectly attributable to recycling programs. All costs included here must be accumulated in a separate set of accounts, be equitably and systematically allocated to all the responsible unit's activities, and not be included on any other line.

Lines 1 through 17: Break down each recycling cost category named in Columns A through E into the expenses listed on Lines 1 through 17. Many of these expenses and categories may not apply to your program; enter figures only in the columns and rows that represent expenses you expect your program to incur. After you have entered all of the program expenses on Lines 1 through 17, in Columns A through E, add each line across, and enter the sum of each line in Column F.

In Column G enter the amount of expenses on Lines 1 through 17 that are attributable to your recycling program. In Column H, enter the amount of expenses on Lines 1 through 17 that are attributable to your residential yard waste program. The sum of the figures in Columns G and H must equal the total cost figures in Column F.

Line 18: Add the figures in each column, A through H, and enter the sum of each on Line 18. These are your recycling program expenses broken down by the categories named above each column. Add the figures on Line 18, Columns A through E, across. The sum of Line 18, Columns A through E, across, should equal the sum of Column F, Lines 1 through 17, down.

Next, add the figures on Line 18, Columns G and H, across. The sum of Line 18, Columns G and H, across, should equal the sum of Column F, Line 18.

Column F: The totals in Column F are your recycling program expenses broken down by UCA code in Columns A through E and by recycling and residential yard waste costs in Columns G and H. Carry the totals in Column F for each Line 1 through 18 to Form 4 - Expense and Revenue Worksheet, Column A.

Column H: Carry the total on line 18, Column H to Form 4, Line 25.

### **FORM 2D-Depreciation/Equipment Use** **FORM 2E-Equipment Use**

If you are not requesting grant participation on your equipment or facility depreciation or hourly use cost, you do not need to complete either Form 2D or Form 2E.

"*Capital expenses* means construction or acquisition costs including improvements or equipment costing \$1000 or more and with an expected life of 3 years or more." (NR 542.03, Wis. Admin. Code). The full



cost of capital purchases may not be taken as an expense in a single year for recycling grant purposes. For each item of capital expense, you may recover your annual cost by either of the following two methods:

1. Form 2D, Depreciation: You may depreciate the capital item over its expected useful life and take the annual depreciation amount as an expense for 2007. If you claim a depreciation expense you may also claim your actual documented cost of operation of the depreciated item in one or more categories on Form 4, Lines 1 through 17. Cost of operation includes any costs associated with running and maintaining the item, including fuel, repairs, and insurance, as well as salaries, wages and employee benefits of the operators.

**OR**

2. Form 2E, Hourly Use: You may claim hourly equipment use charges based upon the rate approved by the Wisconsin Department of Transportation (DOT). Contact the DOT or your county highway department for rate information. If you claim an hourly use cost, you may also claim on Form 4, Line 1, the cost of salaries, wages and employee benefits for the operators. But do not also claim a separate cost of operation on Form 4, Lines 2 through 17; all costs of operation except salaries, wages and employee benefits of operators, are included in the DOT hourly use charge.

Ordinarily, you may not switch back and forth between depreciation and hourly use as the means of claiming equipment use costs on your recycling grant applications. There are two circumstances, however, under which such a switch is allowable as described below.



Equipment that has been fully depreciated during the life of the recycling grant program, or that was purchased entirely with expedited recycling grant money, cannot be listed on the depreciation schedule but can be listed on the hourly use schedule. (The expedited recycling grant period was July 1, 1990 through December 31, 1991.) However, because the DOT hourly use rate includes the cost of ownership, these fully depreciated items must be listed at an hourly use rate reduced by one third. This is to recognize that the state share of the cost of ownership has already been fully recovered by your responsible unit in the recycling grant program. For example, a patrol truck that was originally on the depreciation schedule for the first four years of the recycling grant program may be moved to the hourly use schedule. If the DOT hourly rate is \$9.00/hour, this truck would be listed at \$6.00/hour with an annotation that this is a modified rate.

[Equipment owned prior to July, 1990, may be listed on the hourly use schedule at the DOT approved hourly rate and this rate does not have to be reduced. Only the equipment fully depreciated in the recycling grant program or the equipment purchased entirely with expedited recycling grant monies must be listed with a reduced hourly use rate.]



Equipment that has been depreciated for recycling grant purposes in previous years, but has not yet been fully depreciated, may be switched to the hourly use schedule. However, once this switch has been made you may not change back to depreciating the equipment in future years, but must consistently claim hourly use costs for the equipment.

Refer to your program records and contact DNR recycling grant staff if you need assistance with depreciation or equipment use.

List on Form 2D and/or Form 2E all capital equipment or facilities used in recycling and residential yard waste operations for which you choose to claim a depreciation or hourly use expense. Follow the instructions below to calculate the annual cost of each item to the recycling program as a depreciation or hourly use expense. Use one line on Form 2D or Form 2E for each item.

### **Form 2D-Depreciation**

**List recycling depreciation on Schedule I; list residential yard waste depreciation on Schedule II.**

**Column A:** Name the item of equipment or property purchased.

**Column B:** Enter the month and year of purchase of the equipment or property.

**Column C:** Enter the original cost. Original cost of equipment includes the purchase price, installation, set-up, freight, and shipping charges, and the book or market value of any trade-ins not originally purchased with recycling grant funds. Original cost of a facility is its purchase price or the cost of its design and construction, including capitalized interest, if incurred.

Special Instructions for items purchased during the expedited recycling grant period (between July 1, 1990, and December 31, 1991): You may not depreciate items that were purchased entirely with expedited recycling grant funds during this time period. You may list items purchased partially with expedited recycling grant money during this time period: enter in Column C the amount of the purchase price that was not covered by the expedited grant funds, and also give the total purchase price of the item in an explanatory note on the form.

**Column D:** Enter the expected recycling or yard waste use of the item as a percent of the item's use for all purposes. For example, if the expected recycling use is 35%, enter .35.

**Column E:** Multiply the decimal number in Column D by the number in Column C, and enter the result in Column E. This is the prorated recycling cost, that is, the depreciable capital expense attributable to recycling.

**Column F:** Enter the expected life in years of the item. Consult Internal Revenue Service or Wisconsin Department of Transportation guidelines, as appropriate, for expected lives of new or used equipment or facilities. Typical acceptable lives of new items are:

Vehicles	4 years
Computers and test equipment	5 years
Balers	7 years
Large roll-offs for drop off	7 years
Office furniture and equipment	10 years
Heavy machinery	15 years
Remodeling and leasehold improvements	15 years
Chipper	7 years
Compactor	15 years
Fencing	15 years
Fork lift	15 years
Buildings and facilities	27 years

For equipment that you purchased used, enter your best estimate of the reasonable expected life that is remaining.

**Column G:** Divide the amount in Column E by the number of years in Column F to compute the annual recycling depreciation on each item, that is, the eligible amount you can claim in each grant year during the expected useful life of the item. Prorate a partial year's entry as appropriate; for example, if you plan to purchase an item at the end of June 2007, claim only 50% of the annual depreciation for 2007.

**Line 13:** Add up all entries in Schedule I, Column G and enter the sum on Line 13. This is your total eligible recycling depreciation for 2007. This amount should be the same amount that appears on Form 1, Line 14, Column G.

**Line 26:** Add up all the entries in Schedule II, Column G, and enter the sum on Line 26. This is your total eligible yard waste depreciation for 2007. This amount should be the same amount that appears on Form 1, Line 14, Column H.

**Line 27:** Add the figures from Line 13 and Line 26 and enter the sum on Line 27. This is your total eligible recycling and yard waste depreciation for 2007. Transfer this amount to Form 1, Line 14, Column F and to Form 4, Line 14, Column A.

### **Form 2E-Equipment Hourly Use Expenses:**

**List recycling equipment on Schedule I; list residential yard waste equipment on Schedule II.** Do not list on Form 2E any item already listed on Form 2D. For items listed on Form 2E do not claim a separate cost of operation except for salaries/wages and employee benefits of the operator, which are claimable on Form 4, Line 1.

**Column A:** Describe the equipment used for recycling (schedule I) or yard waste (schedule II) program activities.

**Column B:** Enter the month and year of purchase of the equipment.

**Column C:** For each item of equipment, enter the hourly use rate approved by the DOT for your county. DOT has an equipment use agreement with your County Highway Department that specifies approved rates for many types and classes of equipment. If you don't have a copy of the schedule of rates, consult with your county highway department about the rate you should use. If a piece of equipment that you use is not listed, make your best estimate based upon the rates for similar equipment. Remember to reduce the hourly rate by one third for equipment that has already been fully depreciated in the recycling grant program or was purchased entirely with expedited recycling grant funds.

**Column D:** Enter the total number of hours the equipment will be used in 2007 for recycling purposes. You must be able to document your claim at the end of the grant year with appropriate time records such as equipment logs or operators' time sheets that specify the recycling use.

**Column E:** Multiply the hourly rate in Column C by the total hours the equipment will be used for recycling in Column D and enter the result in Column E.

**Line 13:** Add up all entries in Schedule I, Column E, and enter the sum on Line 13. This is your estimated total recycling hourly use expense for 2007. This amount should be the same amount that appears on Form 1, Line 15, Column G.

**Line 26:** Add up all entries in Schedule II, Column E, and enter the sum on Line 26. This is your estimated total yard waste hourly use expense for 2007. This amount should be the same amount that appears on Form 1, Line 15, Column H.





**Line 27:** Add the figure from Line 13 to the figure on Line 26 and enter the sum on Line 27. This is your estimated total recycling **and** yard waste program equipment hourly use expense for 2007. Transfer this amount to Form 1, Line 15, Column F and to Form 4, Line 15, Column A.

### **FORM 3-Ineligible Costs/Recyclables Collected**

#### **Schedule I-Ineligible Costs:**

Some recycling costs are not eligible for recycling grant funding. List on Schedule I any items of expense that are included in your recycling program but are not grant eligible under Chapter 287, Wis. Stats., or NR 542.05, Wis. Admin. Code. Total all entries at Line 4 and transfer that sum to Form 4, Column A, Line 19 and to Section 2, Line 5.

Examples of ineligible costs that must be entered on Line 3 (Other) are:

-  Expenses related to providing recycling services to multi-family (5 or more dwelling units) and non-residential units;
-  Expenses related to the purchase of plastic containers for the collection of recyclables which do not have at least 25% recycled content;
-  Fines or penalties due to failure to comply with federal, state or local regulations.
-  Costs for which payment has been or will be received under another federal or state financial assistance program. All costs upon which such assistance is based are ineligible for funding under the recycling grants to responsible units program. (Example: Waste Tire Recovery Grant)

#### **Schedule II - Recyclable Materials Collected:**

**Lines 5 through 22:** Listed here are the materials required to be recycled in accordance with the 1995 landfill bans. Tonnage for single family and 2-4 unit residences only should be included.

**Column A:** For each listed material that you anticipate collecting in 2007, enter under Column A a projection in tons of the total weight to be collected during 2007 from single family and 2-4 unit residences only. Consult your program records or get this information from vendors who collect and/or market your responsible unit's recyclable materials.

**Column B:** Enter the estimated selling price per ton of each material likely to be sold. Remember that market prices are unpredictable and may fluctuate dramatically. You will benefit by using conservative rates/prices when estimating revenues for 2007. Enter zero in Column B if you do not expect to receive payments for the sale of recyclable material.

**Column C:** For each recyclable material likely to be sold, multiply its estimated selling price per ton in Column B by the tonnage in Column A to determine your estimated 2007 revenue from the sale of the materials, and enter the result for each item in Column C. Enter zero in Column C for any item for which you do not expect to receive payment.

**Note:** If you must pay to market any of these items, the marketing cost is an expense and should be reported on Form 1 and Form 4, Line 6. Do not enter your marketing expense on Form 3, Schedule II, Column C as "negative income", and do not reduce any revenues you receive for the sale of some recyclable materials by the amount you pay to market these or other materials.

**Line 23:** Add Lines 5 through 22 in Column A and enter the sum on Line 23.

**Line 24:** Add Lines 5 through 22 in Column C and enter the sum on Line 24. Transfer the amount on Line 24 to Line 21, Form 4 and to Line 6, Section 2.

### **FORM 4-Proposed Expenses and Revenues**

This form summarizes all the information from the above schedules and worksheets. It establishes the net eligible recycling costs that will be used as a cap in establishing your maximum possible 2007 grant award.

#### **Column A:**

**Lines 1 through 17:** Enter the figures from the corresponding lines of Form 1, Column F.

**Line 18:** Add Lines 1 through 17 in Column A and enter the total on Line 18. Transfer the amount on Line 18 to Line 4, Section 2.

**Line 19:** Enter the figure from Form 3, Schedule I, Line 4.

**Line 20:** Subtract Line 19 from Line 18 and enter the remainder on Line 20.

**Line 21:** Enter on Line 21 the amount from Form 3, Schedule II, Line 24, that is, the revenues you expect to receive from sales of recyclables, creditable to UCA account #48307. If you must pay to market any recyclables, the marketing cost is an expense and should be reported on Line 6, above. Do not reduce any revenues you receive for the sale of some recyclable materials by the amount you pay to market other materials. Do not enter your marketing expense on Line 21 as "negative income".

**Line 22:** Enter on Line 22 the sum of all deductible revenues not included on Line 21. **Do** deduct the revenues you received from other responsible units for recycling services. (If yours is a multiple member RU, do not deduct payments you receive from your member municipalities.) Do not deduct the amount of your recycling grant (UCA account #43545); and do not deduct revenues raised from your responsible unit's residents by taxation, bag sales, or other user fees. The proceeds from the sale of any recycling equipment or property that was purchased with grant funds may be a deductible revenue. Please contact DNR recycling grant staff for advice. Transfer the amount on Line 22 to Line 7, Section 2.

**Line 23:** Add Line 21 and Line 22 and enter the sum on Line 23.

**Line 24:** Subtract Line 23 from Line 20 and enter the difference on Line 24. This is the total net eligible recycling cost of your program, which will be used in establishing a cap for your grant award. The net eligible recycling costs must not include the cost of collection, processing or marketing of recyclables

from commercial, retail, industrial, or governmental facilities, or from buildings containing 5 or more dwelling units. Transfer the amount on Line 24 to Line 8, Section 2.

**Line 25:** Enter the cost of handling yard waste that is included in the amount of eligible expenses reported on Line 20, above. This figure must agree with the total on Form 1, Column H, Line 18. Transfer the amount on Line 25 to Line 9, Section 2.

### **UNIFORM CHART OF ACCOUNTS (UCA)**

The Wisconsin Department of Revenue (DOR) Uniform Chart of Accounts (UCA) is the system used by Wisconsin municipalities to file their required annual Form A, B, C, or D financial reports with DOR. Accordingly, we have designed the recycling financial forms around the UCA. Following are the UCA accounts in effect for recycling programs from calendar year 1991 onward:

<u>UCA Account</u>	<u>Type</u>	<u>Title</u>
43545	Revenue	Recycling Grant Revenues
46435	Revenue	Public Charges for Recycling Services
47345	Revenue	Intergovernmental Charges for Recycling Services
48306	Revenue	Sales of Recycling Equipment and Property
48307	Revenue	Sales of Recyclable Materials
53635	Expenditure	Recycling Program Expenditures
57435	Expenditure	Recycling Capital Expenditures

Consult your latest DOR Financial Report and its instructions for detailed descriptions regarding what items of expense or revenue are included under each of the above.

Certain types of revenue must be offset against (deducted from) your recycling costs when your grant award is computed by entering them on Form 4, Lines 21 or 22. UCA #43545 is a State Aids Account for recording your receipt of recycling grant funds; recycling grant funds are not deducted from your net eligible recycling costs you are reporting in your current grant application. However, revenues from the sale of recycling equipment and property purchased with grant funds, or from the sales of recyclable materials, reported to DOA under UCA #48306 and #48307 respectively, are deductible. Revenue from intergovernmental charges for recycling services (UCA #47345) will also be grant deductible unless you are the responsible unit for the municipality making the payment.

All recycling operating costs should be charged to UCA #53635. If your municipality is not yet allocating all of its recycling expenses to UCA #53635, please start now to do so. Your clerk or finance officer may be able to set up your responsible unit's accounting system to automatically distribute recycling costs throughout the year using UCA's optional program/project codes.

In general, UCA #53635 should include only costs that are properly allocable to recycling. A cost is allocable to recycling if it is clearly necessary to and is incurred specifically for recycling, or, if incurred for several purposes, can be prorated among those purposes in some reasonable and logical proportion to benefits received for each.

UCA expenditure accounts may be further broken down into Object Codes, three digit codes identifying the type of cost being incurred, such as salaries/wages/benefits, purchased services, supplies, utilities, rent, etc. A list of detailed definitions of the Object Code categories for recycling expenses follow these instructions.

Costs of capital purchases as defined in NR 542.05, Wis. Admin. Code, should be charged to UCA #57435, and should not be directly claimed as recycling expenses except as a basis for the depreciation expense figured on Form 2 - Schedule 1, Depreciation Schedule, or on an hourly equipment use basis figured on Form 2 - Schedule 2, Equipment Use Schedule.

Since this is a budget process, we realize that all the figures you are recording on your grant application are estimates of costs you anticipate incurring during 2007. However, when you submit your final 2007 grant payment request (due not later than April 30, 2007), you will be reporting costs you've actually incurred. Therefore, you will be required to separately justify any costs you are claiming that have not been reported on your year end financial report to DOR.

### **Uniform Chart of Accounts (UCA) Object Code Definitions for Recycling:**

#### Code Recycling Definition

- 100 - Salaries/Wages and Employee Benefits. All recycling costs coded in the 100's object code series. Includes all recycling salaries, wages, per diem, and fringe benefits (including employer's share of Social Security) for the responsible unit's own employees. Costs of using contract personnel should be coded 210, 240, or 290, as appropriate.
- 210 - Consulting and Professional Services. Payments for services rendered by outside consultants, including accountants, attorneys, engineers, public relations and survey research professionals, etc. Costs of services rendered by the responsible unit's own employees are personnel costs, coded 100. Payments to any single entity totaling \$10,000 or more annually must be covered by a written contract or agreement specifying financial terms and services to be rendered.
- 220 - Utility Services. Payments for electric, gas, telephone service, etc., including installation and equipment charges, and energy costs used in recycling operations.
- 240 - Purchased Repairs and Maintenance. Payments to outside organizations for repairs and maintenance to recycling facilities or equipment. Includes payments for equipment service contracts, etc. Repairs or maintenance performed by the responsible unit's own employees are personnel costs (code 100) and/or repair and maintenance supplies (code 350), as appropriate.
- 290 - Purchased Services - Printing & Advertising. Purchased printing services, such as brochures and educational materials. Payments to outside providers of printing services, including those provided by other municipalities. Purchases of media advertising and publicity services, including audio visual production, displays, and booths.
- 290 - Purchased Services - Other. Payments to outside providers of recycling services, including contracts/agreements with other municipalities. Can include collection, separating, processing, hauling, etc., of recyclables, and associated charges. Invoices of providers also handling non-recyclable waste must distinguish costs of handling recyclables from those of handling non-recyclable waste. Can also include advertising, displays, booths, and audio visual production. Payments to any single provider totaling \$10,000 or more annually must be covered by a written contract or agreement specifying financial terms and services to be rendered.
- 310 - Office Supplies. Office supplies used directly in recycling operations.

- 320 - Subscriptions, and Dues. Purchases of books or periodicals necessary for recycling research. Memberships in organizations concerning recycling.
- 330 - Employee Travel and Training. Employee travel expenses, including meals, lodging, and personal auto mileage reimbursement, and training costs incurred for recycling programs.
- 340 - Operating Supplies and Expenses. Costs of supplies, other than office or repair/maintenance supplies, consumed in the operation of recycling programs, including costs of fuel and oil for vehicles and equipment, and postage.
- 350 - Repair and Maintenance Supplies. Parts and supplies used in repairs and maintenance on recycling equipment or facilities, including any building materials (code 400) used in minor (non-capital) construction.
- 510 - Insurance. Costs of liability or casualty insurance coverage directly allocable to recycling programs. Employee health/life insurance, unemployment and workers' compensation are code 100 personnel costs.
- 530 - Rents and Leases. Costs of renting or leasing facilities or equipment, including vehicles, used for recycling.
- 540 - Depreciation. The recycling share of depreciation on capitalized equipment or facilities used in recycling programs. All depreciation claimed must be properly allocable to recycling and must be reflected on an attached Depreciation Schedule Form 2, Schedule I.
- 540 - Hourly Equipment Use Charges. Use charges, on an hourly or mileage basis, on equipment used in recycling operations. Such charges should be fully documented with time sheets or mileage logs and must be reflected on an attached Equipment Use Schedule (Form 2, Schedule II).
- 900 - Cost Allocations. Expenses indirectly attributable to recycling programs. All costs included here must be accumulated in a separate set of accounts, equitably and systematically allocated to all the responsible unit's activities, and not be included on any other line.
- \_\_\_ - Other. Any other properly allocable recycling cost not included above, such as land acquisition (chargeable to UCA #57435), or costs to be borne by constituent municipalities, or any recycling cost not charged to UCA #53635.

*Instructions for 2007 Recycling Grant Application Prepared By:*  
 Wisconsin Department of Natural Resources  
 Bureau of Community Financial Assistance  
 P.O. Box 7921  
 Madison, WI 53707-7921  
 Telephone: 608/266-7555



# RECYCLING GRANTS TO RESPONSIBLE UNITS AND RECYCLING EFFICIENCY INCENTIVE GRANT PROGRAM COMBINED AUTHORIZING RESOLUTION

## **INSTRUCTIONS**

The sample on the next page is a model of the combined authorizing resolution that is required and must be attached to an application for both the DNR's Recycling Grants to Responsible Units and Recycling Efficiency Incentive grant funds. If you already have a combined resolution on file and the information is current, you do not have to provide a new combined authorizing resolution.

The resolution authorizes the representative to file the recycling grant application on behalf of the responsible unit. The representative must be an official or employee of the responsible unit.

An authorizing resolution is NOT a substitute for a formal agreement between all responsible units that are party to a cooperative agreement. Such an agreement must comply with the provisions of s. 66.0301, Wis. Stats. This section of the statutes appears below.

**66.0301 Intergovernmental cooperation.** (1) (a) In this section "municipality" means the state or any department or agency thereof, or any city, village, town, county, school district, public library system, public inland lake protection and rehabilitation district, sanitary district, farm drainage district, metropolitan sewerage district, sewer utility district, solid waste management system created under s. 59.70 (2), local exposition district created under subch. II of ch. 229, local professional baseball park district created under subch. III of ch. 229, local professional football stadium district created under subch. IV of ch. 229, a local cultural arts district created under subch. V of ch. 229, family care district under s. 46.2895, water utility district, mosquito control district, municipal electric company, county or city transit commission, commission created by contract under this section, taxation district, regional planning commission, or city-county health department.

(b) If the purpose of the intergovernmental cooperation is the establishment of a joint transit commission, "municipality" means any city, village, town, or county.

(2) In addition to the provisions of any other statutes specifically authorizing cooperation between municipalities, unless those statutes specifically exclude action under this section, any municipality may contract with other municipalities and with federally recognized Indian tribes and bands in this state, for the receipt or furnishing of services or the joint exercise of any power or duty required or authorized by law. If municipal or tribal parties to a contract have varying powers or duties under the law, each may act under the contract to the extent of its lawful powers and duties. A contract under this subsection may bind the contracting parties for the length of time specified in the contract. This section shall be interpreted liberally in favor of cooperative action between municipalities and between municipalities and Indian tribes and bands in this state.

(3) Any contract under sub. (2) may provide a plan for administration of the function or project, which may include but is not limited to provisions as to proration of the expenses involved, deposit and disbursement of funds appropriated, submission and approval of budgets, creation of a commission, selection and removal of commissioners, and formation and letting of contracts.

(4) A commission created by contract under sub. (2) may finance the acquisition, development, remodeling, construction and equipment of land, buildings and facilities for regional projects under s. 66.0621. Participating municipalities acting jointly or separately may finance the projects, or an agreed share of the cost of the projects, under ch. 67.

(5) No commission created by contract under sub. (2) may, directly or indirectly, do any of the following:

(a) Acquire, construct or lease facilities used or useful in the business of a public utility engaged in production, transmission, delivery or furnishing of heat, light, power, natural gas or communications service, by any method except those set forth under this chapter or ch. 196, 197 or 198.

(b) Establish, lay out, construct, improve, discontinue, relocate, widen or maintain any road or highway outside the corporate limits of a village or city or acquire lands for those purposes except upon approval of the department of transportation and the county board of the county and the town board of the town in which the road is to be located.

**History:** 1999 a. 150 ss. 348, 349, 352, 353; 1999 a. 167 s. 38; 2001 a. 16, 30.

## SAMPLE OF AN AUTHORIZING RESOLUTION

Municipality Code \_\_\_\_ - \_\_\_\_

The following sample resolution is a model for the authorizing resolution required of all responsible units. The resolution will authorize the representative to file the Recycling Grants to Responsible Units and Recycling Efficiency Incentive grant applications. The representative must be an official or employee of the responsible unit.

### RESOLUTION

WHEREAS, \_\_\_\_\_ hereby requests financial assistance under  
(name of responsible unit)

s. 287.23, Wis. Stats., Chapters NR 542, 544 and 549, Wis. Admin. Code, for the purpose of planning, constructing or operating a recycling program with one or more components specified in s. 287.11(2)(a) to (h), Wis. Stats.,

THEREFORE, BE IT RESOLVED, that \_\_\_\_\_ HEREBY AUTHORIZES  
( name of responsible unit)  
\_\_\_\_\_, an official or employee of the responsible unit, to act  
(authorized representative)

on its behalf to: Submit an application to the Department of Natural Resources for financial assistance under s. 287.23, Wis. Stats., Chapters NR 542, 544 and 549, Wis. Admin. Code;

Sign necessary documents; and

Submit a final report.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

I hereby certify that the foregoing resolution was duly adopted by \_\_\_\_\_

at a legal meeting on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

## **SAMPLE ELEMENTS OF A COOPERATIVE AGREEMENT**

In order to apply for Recycling Efficiency Incentive Grant funding under ch. NR 549, Wis. Admin. Code, from the Department of Natural Resources (DNR), a Responsible Unit must submit an application by the postmark deadline (and include all attachments).

If a Responsible Unit is claiming a cooperative agreement as its measure of recycling efficiency, then that Responsible Unit must have a copy of the cooperative agreement in its files. Periodically, staff from the DNR will conduct field audits and check to see that these agreements are on file.

The administrative code does not specify a required format for the cooperative agreement, so the parties can choose the format. Regardless of the format, all cooperative agreements **must** contain the following information to satisfy ch. NR 549 requirements:

- 1- The title of the cooperative agreement.
- 2- Purpose of the cooperative agreement and names of the participating Responsible Units (RU).
- 3- A description of what each participating RU will do through the cooperating agreement. Will one RU pay money to the other RU? If yes, how much and how frequently? And what services will the other RU provide for the funds they receive? Collection, sorting, planning, or educational efforts? How frequently? By what deadline?
- 4- The effective dates (starting and ending) of the cooperative agreement. If there is no end date to the agreement, then only a starting date needs to be mentioned.
- 5- Statement of expectations of how costs will be reduced, funds will be saved, or the scope or quality of each RU's recycling program will be improved.
- 6- Spaces for the signature and title of representatives authorized under s. 66.0301, Wis. Stats., from EACH responsible unit and the date on which the signature was affixed. You do **not** have a valid cooperative agreement if only one party has signed the document.

Your city, town, village, or county may require you to include other provisions or terms in your cooperative agreement that are beyond those identified in ch. NR 549, Wis. Admin. Code. Please be sure to check with your legal counsel to ensure that these requirements are addressed.